

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Balance Sheet
As of 8/31/2005

9/29/2005

	As of <u>8-31-05</u>	As of <u>6-30-05</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 600,737,623	\$ 604,847,705
INTERNATIONAL EQUITIES	381,051,483	399,906,454
DOMESTIC FIXED INCOME	279,995,986	201,123,853
INTERNATIONAL FIXED INCOME	76,211,438	71,304,366
REAL ESTATE	141,709,217	139,039,070
VENTURE CAPITAL	62,043,546	62,572,727
INVESTED CASH (NOTE 1)	<u>11,626,418</u>	<u>28,950,655</u>
 TOTAL INVESTMENTS	 1,553,375,711	 1,507,744,830
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	6,638,309	8,109,864
CONTRIBUTIONS RECEIVABLE	0	7,403,583
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>0</u>
 TOTAL RECEIVABLES	 6,638,309	 15,513,447
 OTHER ASSETS		
OPERATING CASH (NOTE 2)	8,238,360	8,648,006
DUE FROM OTHER AGENCIES (NOTE 3)	<u>11,735</u>	<u>20,170</u>
 TOTAL ASSETS	 <u>\$ 1,568,264,115</u>	 <u>\$ 1,531,926,453</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	1,414,913	1,414,912
ACCRUED EXPENSES	208,475	284,129
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>32,985</u>
 TOTAL LIABILITIES	 1,623,388	 1,732,026
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,530,194,427	1,374,679,677
CASH IN DURING YEAR (NOTE 5)	23,625,000	134,163,000
CASH OUT DURING YEAR (NOTE 6)	23,625,000	134,163,000
NET INCREASE (DECREASE)	<u>36,446,300</u>	<u>155,514,750</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,566,640,727</u>	 <u>1,530,194,427</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 1,568,264,115</u>	 <u>\$ 1,531,926,453</u>

9/29/2005

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Profit and Loss Statement
For the Month Ended 8/31/2005

	Month Ended <u>8-31-05</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 2,256,057	\$ 4,533,003
SECURITIES LENDING INCOME	288,210	569,727
	<u>2,544,267</u>	<u>5,102,730</u>
GAIN ON SALE OF INVESTMENTS	21,524,662	42,532,829
LOSS ON SALE OF INVESTMENTS	<u>8,222,350</u>	<u>12,068,128</u>
NET GAINS (LOSSES) INVESTMENTS	13,302,312	30,464,701
INVESTMENT EXPENSES	1,227,456	1,352,567
SECURITIES LENDING EXPENSES	264,902	511,777
SIB ADMINISTRATIVE EXPENSES	<u>11,545</u>	<u>21,784</u>
NET INVESTMENT INCOME	14,342,676	33,681,303
NET APPREC (DEPREC) MARKET VALUE	(12,148,752)	16,870,720
MISCELLANEOUS INCOME/(EXPENSE)	<u>23,913</u>	<u>(85,443)</u>
TOTAL INVESTMENT INCOME	2,217,837	50,466,580
CONTRIBUTIONS & ASSESSMENTS (NOTE 7)	716,197	800,580
PURCHASED SERVICE CREDIT (NOTE 8)	298,023	862,595
PENALTY & INTEREST (NOTE 9)	<u>37</u>	<u>384</u>
TOTAL ADDITIONS	<u>3,232,094</u>	<u>52,130,139</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 10)	7,630,516	15,241,779
PARTIAL LUMP SUM BENEFITS PAID	21,045	21,045
REFUNDS TO MEMBER (NOTE 11)	<u>81,510</u>	<u>229,623</u>
TOTAL BENEFITS PAID	7,733,071	15,492,447
ADMINISTRATIVE EXPENSES		
RIO ADMINISTRATIVE CHARGE	125,047	191,392
MISCELLANEOUS EXPENSES	<u>0</u>	<u>0</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>125,047</u>	<u>191,392</u>
TOTAL DEDUCTIONS	<u>7,858,118</u>	<u>15,683,839</u>
NET INCREASE (DECREASE)	<u>\$ (4,626,024)</u>	<u>\$ 36,446,300</u>

TEACHERS' FUND FOR RETIREMENT
Notes To Financial Statements
August 31, 2005

9/29/2005

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 OPERATING CASH

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 DUE TO OTHER AGENCIES

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 6 CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 7 CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 8 PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

TEACHERS' FUND FOR RETIREMENT
Notes to Financial Statements
8/31/2005

9/29/2005

NOTE 9

PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 10

BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 11

REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.